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INFO RUEHAC/AMEMBASSY ASUNCION 7475
RUEHBO/AMEMBASSY BOGOTA 4843
RUEHBR/AMEMBASSY BRASILIA 8757
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RUEHCV/AMEMBASSY CARACAS 3188
RUEHG/AMEMBASSY GEORGETOWN 0551
RUEHPE/AMEMBASSY LIMA 3403
RUEHMD/AMEMBASSY MADRID 3790
RUEHMN/AMEMBASSY MONTEVIDEO 5172
RUEHPO/AMEMBASSY PARAMARIBO 0236
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RUEHSG/AMEMBASSY SANTIAGO 0444
RUEAIIA/CIA WASHINGTON DC
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C O N F I D E N T I A L LA PAZ 000009

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E.O. 12958: DECL: 01/03/2018
TAGS: PINR PGOV PREL ASEC BL
SUBJECT: BOLIVIA: VERY LOW EXPECTATIONS FOR JANUARY 7 TALKS

REF: 2007 LA PAZ 3329

Classified By: Acting EcoPol Chief Brian Quigley for
reasons 1.4 (b) and (d).

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Summary
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¶1. (C) With the holiday season "truce" coming to an end, it appears that the ruling Movement Toward Socialism (MAS) and the opposition are preparing to resume where they left off in early December with belligerence and bluster. While President Evo Morales and the five prefects of opposition-led departments will meet to discuss their differences January 7, indications are that the "dialogue" will amount to little. Even before the truce)-that never really was-- has ended, President Evo Morales has begun to whip up his base and seemingly shut off prospects for real compromise. Opposition prefects have little confidence the talks will produce results. However, they also recognize that they must participate to prevent Evo from hijacking the high ground with claims he is willing to talk while the opposition only seeks division. End Summary.

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Evo and Prefects Accept to Meet
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¶2. (U) In a letter sent to the president on December 27, opposition prefects from Santa Cruz, Cochabamba, Tarija, Beni, and Pando agreed to a meeting on January 7 with four proposed agenda items: the tax cuts to governors, departmental autonomies, the proposed constitution, and any other topic Evo would like to address. Speaking from a cabinet and MAS loyalist retreat in Cochabamba on December 28, Evo said "I salute the prefects for reflecting and accepting dialogue. I will be waiting for them in La Paz on January 7."

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¶13. (U) Evo's December 28 conciliatory tone was replaced by more bellicose language two days later when he addressed a group of 3,000 coca-growers (cocaleros) in the Chapare. Morales called on the crowd to "mobilize to defend the mother land, to defend democracy, and that the people will decide with their 'yes' vote on the new Magna Carta." He went on to say "we are the patriots that will defend the unity of Bolivia, and that means throwing the autonomous statutes of a few Santa Cruz families into the garbage can." The Vice President of the opposition-stronghold Santa Cruz Civic Committee Luis Nunez responded to Evo's comments by stating, "What we should be throwing into the garbage, is the Constitution of death approved by the MAS-istas." Evo also told the crowd that "the poor have more rights than the rich" and warned that the opposition was planning a coup d'etat. Vice President Garcia-Linera lashed out at the autonomous statutes also. He called them illegal and said the opposition "is trying to dismember the country."

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An Open Agenda With Nothing on the Table

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¶14. (U) Despite early declarations by President Morales that the proposed January 7 meeting between he and the prefects of Santa Cruz, Beni, Pando, Tarija and Cochabamba would have an open agenda, government officials have more recently stated that critical issues --such as the new constitution and the cutting of hydrocarbons revenues (IDH) to the departments-- are off the table. Government Minister Alfredo Rada on January 1 stated, "The new constitution . . . is not negotiable and the people will decide via referendum if it is approved or rejected." Rada argued that the opposition had their chance to provide input to the new constitution, calling the new constitution "not a Movement Toward Socialism text" and "balanced." (Comment: The constitution was approved with few opposition delegates present, at a hastily called session of the Constituent Assembly that violated several assembly rules including the need to allow for 24-hours notice before a session is convened. End Comment). In contrast Rada called the autonomy statutes "forced" and "secessionist." Presidential Spokesperson Alex Contreras later stated that the government's decision to cut IDH to the departments to finance its new pension system was also not a subject for debate.

¶15. (U) Opposition figures have resolutely criticized the government's conditions on the January 7 negotiations; but, opposition prefects state they are still committed to attending the talks. Beni Prefect Ernesto Suarez stated that "not touching on these proposals (the new constitution and hydrocarbons revenues) by the prefects, (means that) the meeting will be a dialogue between the deaf."

¶16. (C) Despite the Rada's statements, the prefects of Cochabamba and Tarija have committed to attending the January 7 meeting. Nonetheless, during a private New Year's Eve dinner, Cochabamba Governor Manfred Reyes Villa expressed his serious concerns about possible violence in January. Reyes Villa has very low expectations as the government is publicly and privately undermining the scheduled meeting. He gave as an example MAS efforts to draft "provisional autonomy statutes" and "indigenous autonomy statutes" in Cochabamba as a way to confuse people and weaken the "departmental autonomy" signature campaign. Reyes Villa believes hot spots for potential violence include Cochabamba, Sucre, and Tarija.

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Government Exploiting and Twisting Events

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¶17. (C) Government officials, rather than trying to cool tensions, appear to be using government-controlled media to exploit events to further their political aims. Via its government sponsored TV channel, radio stations, and news

agency (ABI) the Morales administration rapidly and exhaustively disseminates stories of attacks on pro-MAS supporters and property while typically down playing attacks on anti-government actors by its supporters. Following late December explosive attacks on a MAS Constituent Assembly members' home and the Bolivian Workers Federation (COB), office Minister of Government Alfredo Rada immediately denounced the attacks as orchestrated by terrorists, implying opposition support despite initial police reports that discounted links between the events (reftel). Government news media focused considerable attention on the COB secretary general's statements. The secretary general, a

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strong ally of the Morales administration, accused the right, the Podemos political party, the Embassy of the United States, and the opposition governors and civic committees of wanting a civil war.

¶8. (C) Meanwhile, ABI has been running numerous reports discounting the government's involvement in the November 23-25 deaths in Sucre, despite strong circumstantial evidence (including video footage) to the contrary. Citing an alleged "arms expert," ABI on January 2 ran an article claiming that the police and military were not the likely culprits. The alleged expert argued that it was likely anti-government protesters with black market weapons that killed the three to make the government "look culpable." ABI's expert also implied the USG was at least implicitly guilty, stating the caliber of weapon used (5.56mm) is the "caliber promoted by North Americans." (Comment: In opposition strongholds this uneven reporting by government media is aggravating already high tensions. Sucre's residents who see themselves as victims of the government's aggression on November 23-25, view with skepticism and hostility this twisting of the facts. End Comment).

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The Last Slim Chance for Peace?
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¶9. (C) Comment: There is little confidence amongst the opposition the January 7 talks will result in tangible results. The Santa Cruz Civic Committee's Luis Nunez has already called the talks "pure show, a smoke screen." Nonetheless, the opposition appears to understand that it has to participate to remain relevant, both domestically and internationally, thus the formal invitation letter from them to Evo. Cochabamba Manfred Reyes Villa, himself a serious doubter that negotiations will produce results, has acknowledged publicly that the talks are "the last chance for a peaceful solution," warning that if they fail that Bolivia could "descend into a spiral of conflict and violence." If the prefects do not participate in this "last chance" they will have significant difficulty in persuading the public that they were seeking a peaceful resolution to Bolivia's latest political impasse. That said, a January 7 deal, would be a belated Christmas miracle. End Comment.

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